



# भारत का राजपत्र The Gazette of India

प्रसाधारण

EXTRAORDINARY

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PART III—Section 4

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इस भाग में भिन्न पृष्ठ सख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।

Separate paging is given to this Part in order that it may be filed as a separate compilation.

## THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

Chartered Accountants

NOTIFICATION

New Delhi, the 16th September 1969

**No. 48-CA(1)/69.**—In pursuance of sub-section (5) of Section 18 of the Chartered Accountants Act, 1949, a copy of the Report and the audited accounts of the Council of the Institute of Chartered Accountants of India for the year ended 31st March 1969 is hereby published for general information:

## THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

*Twentieth Annual Report of the Council for the Year ended 31st March, 1969*

The Council has pleasure in presenting its 20th Annual Report for the year ended 31st March, 1969, in accordance with the provisions of Section 18(5) of the Chartered Accountants Act, 1949.

### I. The Council

#### A. MEMBERS OF THE COUNCIL AND ITS VARIOUS COMMITTEES

As provided in Section 9 of the Chartered Accountants Act, the Seventh Council was constituted on 17th September, 1967, partly by election and partly by nomination. The names of the members of the Council and its various standing and other Committees, constituted under Section 17 of the Chartered Accountants Act are given in Appendix IA and IB respectively.

## B. PRESIDENT AND VICE-PRESIDENT

Shri R. Venkatesan (Madras), who was the Vice-President in the preceding year, was elected President by the Council at its meeting held on the 13th and 14th September, 1968. At the same meeting, Shri M. B. Dhondy (Bombay) was elected as the Vice-President.

## C COUNCIL AND COMMITTEES MEETINGS

During the year, the Council held its meeting on two occasions, the first on 13th and 14th September, 1968, and the second on 13th and 14th March, 1969. Details of the meetings held by the various committees are given in Appendix IC.

## II. Finances

(a) *Accounts.*—The Balance Sheet as at 31st March, 1969, and the Income and Expenditure Account for the year ended on that day duly audited are appended at the end of this Report. The Income and Expenditure Account for the year shows an excess of income over expenditure amounting to Rs. 13,420 as against excess of Income over Expenditure of Rs. 131,069 in the previous year.

These accounts include the accounts of the Regional Councils and their Branches and the students' Associations and their branches.

(b) *Auditors.*—Savvasbri P. R. Mehra and M. R. Venkataraman were the Auditors of the Institute's accounts for the year ended 31st March, 1969.

## III. Professional Matters

### 1. PROFESSIONAL DEVELOPMENT

(a) The need for educating the public about the true role of the profession in the development of the country's economy has been engaging the attention of the Council for some time past. Certain steps have already been taken in this direction and several booklets containing information about the variety of services which a Chartered Accountant can render have been issued. The revised version of the booklet "Do you know what a Chartered Accountant does?" titled "FIVE QUESTIONS" has been published and copies circulated amongst the various Chambers of Commerce, Industrial Houses etc. It is also proposed to publish a condensed version of this booklet in some of the regional languages.

(b) In addition, steps are being taken to bring out a booklet "Why don't you get your accounts audited?" for circulation amongst all the registered partnership firms and other organisations whose accounts are not statutorily required to be audited. These and other efforts are likely to improve the opportunities of work for the junior members of the profession.

(c) For strengthening the knowledge of members in the field of auditing, and for bringing their knowledge up-to-date on the latest development in auditing techniques, the Committee has initiated the preparation of industrywise technical guides to audit for some of the major industries.

(d) The Council is taking steps to render better service to members in employment and to associate more and more members from industry with the activities of the Institute. For this purpose, Regional Councils have been requested to organise more frequently industry-wise seminars, refresher courses etc., primarily designed for the benefit of members associated with the particular industry. In these Seminars, apart from accounting, the management and related problems facing the members in industry and recent developments in such fields will be the subject matter for deliberation.

(e) The necessity for an efficient internal audit or internal control system is expected to be increasingly realised, both in the public and private sector companies, with the growing complexities of industrial corporations in the country. It has therefore been decided to propagate the usefulness of establishing an internal audit or internal control system in the organisation and also to provide facilities for higher training to members of the Institute in the various techniques of internal auditing by organising Seminars, Refresher Courses, etc.

(f) With a view to increasing professional opportunities, particularly for the junior members, the Council has made representations to the appropriate authorities to provide for compulsory audit of partnership firms having a turnover of Rs. 5 lakhs and also to associate professional firms with the work of accounts

scrutiny in taxation and company law department. These efforts are expected to yield the desired results in course of time but in addition the Council has also requested the members in general to exercise a certain amount of self-restraint and self-regulation to help their fellow members. A Note in this regard has been published at page 556 of the April, 1969, issue of the Journal.

(g) The Council is actively considering ways and means of providing guidelines to the members for rendering Management Consultancy services in collaboration with other recognised professions. The legal, ethical and other related issues involved in our members' collaborating with members of other professions for rendering Management services as well as the form of organisation through which such collaboration arrangements could be permitted, are being examined.

(h) A Study of the organisation of the offices of Chartered Accountants is being conducted with the object of making recommendations in respect of maintenance of office records, adoption of office manuals, equipment etc.

(i) The various forms of audit reports and certificates which chartered accountants are required to sign and certify during the course of their professional work are being scrutinised. It is proposed to approach the concerned authorities for such revision or modification of the forms of reports and certificates, as may be necessary to remove the attendant difficulties. The work on this project is progressing satisfactorily and it is expected that specimen forms for different types of audit reports/certificates would soon be ready and recommended for adoption to the concerned authorities.

## 2. RESEARCH

(a) During the year a note on Independence of Auditors was issued for the guidance of members.

(b) A research paper on Inter-firm Comparison—A Technique for Improving Productivity, prepared by the research staff of the Institute, was also published in the Institute's Journal.

(c) The Institute's views and suggestions were submitted to the Central Government in respect of the following matters:—

(i) Additional matters which should be included in the auditor's report under Section 227 (4A), in respect of the companies manufacturing passenger and commercial motor vehicles.

(ii) Revised directions regarding additional report by auditors of Government Companies under Section 619

(d) The following notes for the guidance of members are expected to be issued shortly:

(i) Statement on Qualifications in Auditors' Reports

(ii) Change in mode of charging depreciation in accounts.

(e) Two Research Studies, one on Payment of Bonus Act and another on Discounted Cash Flows, have been completed and are under print.

(f) The following research studies/notes are under preparation:

(i) Expenditure during construction period;

(ii) Selected qualified audit reports.

(iii) Compendium of notes issued by the Institute in the past and published in the Institute's Journal from time to time;

(iv) Revised edition of A Guide to Company Audit, together with auditor's enquiries into internal control, including the use of internal control questionnaires;

(v) Small and less expensive mechanised aids to accounting.

## 3. POST GRADUATE COURSES

The Post-Graduate Course Committee carried out several activities for popularizing Management Accounting both among members and in Government, Business and Industry.

(a) The Committee in its efforts to establish a Faculty within the Institute to offer sustained programmes at different centres covering various aspects of

Management Accounting has appointed a Director of Post Graduate Studies. It is also proposed to enlist the assistance of outside experts for developing the Faculty, conducting training courses etc.

(b) The Residential Training Course on "Public Accountability in a Developing Economy" was held at the West End Hotel, Bangalore, from 7th to 12th October, 1968. The Course was inaugurated by the Comptroller and Auditor General of India and attended by 55 participants. The following subjects were discussed at the Course:

1. The impact of economic development and the resulting problems for government accounting and audit.
2. The nature of Budgetary Control and the evolution of new estimating techniques.
3. Project Planning.
4. Management Accounting in the Public Services.
5. Management reporting system in public undertakings—a suggested approach.
6. Designing a management accounting system.
7. Men, Machines and Management.
8. Problems in Pricing.
9. Public Accountability and the Role of Audit.

(c) The Committee, in its efforts to make the Post Graduate Course in Management Accounting more popular and attractive for members of the Institute has decided to provide specific incentives to the candidates pursuing this Course. The Committee has decided to provide from next year, financial assistance to the first batch of three members to the tune of Rs. 500 each for the purchase of books. It may be mentioned that Messrs Price Waterhouse Peat and Co., have graciously agreed to donate Rs. 500 yearly for 3 years commencing from 1968-69 for this purpose.

(d) The particulars of the number of members who appeared and were declared successful at the May and November 1968 Management Accountancy Examinations (Part I of the Course) are given in Appendix II.

(e) At the end of the year, 29 members were engaged in practical training for Part II of the Course. In the preparation of their thesis, they are being guided by top executives and accountants in industry.

(f) The syllabus for the Post-Graduate Course in "Secretaryship and Management" which had been finalised and referred to the Government about two years ago for obtaining its approval is still under consideration of the Government.

#### 4. EXPERT ADVISOR SERVICE

As at the commencement of the year, one query was pending with the Expert Advisory Committee and during the year 9 further queries were referred to the Committee. Out of total 10 queries, 2 were answered during the year and 7 subsequently.

#### 5. EMPLOYMENT COMMITTEE

The Chartered Accountants Employment Assistance and Advisory Committees have been formed in the cities of Madras, Bombay, Delhi and Kanpur in addition to the one in Calcutta which was formed last year. Steps are being taken to form such committees in Ahmedabad and Bangalore also.

Details regarding the members in industry, their status and position held are being collected for the purpose of bringing out a comprehensive list of members who are employed in industry or engaged in services other than the practice of the profession.

A request has been made to Government that companies with a minimum paid up capital of Rs. 25 lakhs should employ chartered accountants as heads of their accounts department and those companies which do not at present employ any chartered accountant at all, should be asked to employ chartered accountants to man their accounts department.

The Committee has continued its efforts to help members in finding suitable employment through advertisements, personal contacts and official references.

The total number of memoeis on the Employment Register on 31st March 1969 was 364 as against 153 on 31st March 1963.

Preparations are under way for holding an All India Convention of Chartered Accountants in industry some time in August 1969.

## 6. TAXATION

(a) As in the previous years a Pre-Budget Memorandum was submitted to the Deputy Prime Minister & Minister for Finance on 1st February 1969. A Post-Budget Memorandum was also submitted to the Deputy Prime Minister and Finance Minister, followed by personal representations by the President, the Vice-President, the Chairman of Taxation Committee and the Secretary of the Institute in April 1969.

(b) The Second All India Seminar on Taxation with "Taxation and Accounting Concepts" as the theme was held at Bombay on the 12th, 13th, 14th and 15th December 1968. The Seminar, which was attended by 266 delegates and was inaugurated by Shri V. T. Dehejia, Chairman, State Bank of India, has been described as a complete success. The Conclusions of the Seminar were duly forwarded to the Government of India for consideration.

The proceedings of the Seminar have been published in book form.

(c) "A Guide to Tax Practice" was issued during the year as a priced publication and it is heartening to record that it was well received, the Central Board of Direct Taxes itself purchasing 700 copies for distribution amongst Income-tax officials.

(d) Mention may also be made of the Regional Seminars and Symposia held on Bhoothalingam's Report with the set purpose of highlighting many of its recommendations meant to add to the convenience of the assessee and simplify the tax procedure. Representatives of the Institute also appeared before the Tax Evasion Enquiry Committee and tendered evidence.

(e) The Council has decided to bring out as an Institute's publication a compilation of the entire legislation since 1860 in respect of Income-tax in India.

## 7. AD HOC COMMITTEE FOR DEALING WITH UNJUSTIFIABLE REMOVAL OF AUDITORS

During the year, no complaint was received by the Committee.

## 8. COST AUDIT (QUALIFICATION FOR COST ACCOUNTING ACCOUNTANTS) RULES

As mentioned in the last Report, the Cost Accounting Rules as amended in 1965 by incorporating Section 23-B which provides for maintenance of cost accounting records and their audit according to this Section, the Central Government may direct that the audit of cost accounts of a company shall be conducted in such manner as may be specified and that such audit shall be conducted by an auditor who shall be "either a Cost Accountant within the meaning of the Cost and Works Accountants Act, 1959, or any such Chartered Accountant within the meaning of the Chartered Accountants Act, 1949, or other person, as possesses the prescribed qualifications."

It was also mentioned in the last Report that the views of the Council on the draft Rules in this behalf, namely, Cost Audit (Qualification for Chartered Accountants) Rules, were submitted and it was urged that a Chartered Accountant who has been in continuous practice for a minimum period of 5 years and is a Fellow member of the Institute, should be eligible for conducting the cost audit; and further such a Chartered Accountant need not necessarily be the statutory auditor of the company.

Though the Government of India have issued orders for the maintenance of cost accounting records and the conduct of their audit in respect of a few industries, qualifications in respect of Chartered Accountants have not yet been prescribed. The matter is being vigorously pursued and the Council is confident that Government of India would soon issue notification prescribing the qualifications.

## 9. COST AUDIT (REPORT) RULES AND COST ACCOUNTS RECORD RULES

During the year the Central Government has prescribed the Cost Audit (Report) Rules, 1968, after incorporating many of the suggestions made by the Institute on the draft Rules.

The Council also submitted its suggestions and comments to the Central Government on the draft Cost Accounting Records (Automobiles) Rules. These Rules have also since finalised and notified by the Government.

## 10. AUDITS OF CO-OPERATIVE SOCIETIES

As was mentioned in the last Report, the Council is continuing its efforts to secure that the audits of Co-operative Societies are required to be carried out by professionally qualified persons such as members of the Institute. The matter has been discussed with the authorities of the Co-operative Department both at the Centre and the States. From a recent communication received from the Department of Cooperation, Ministry of Food, Agriculture, Community Development and Cooperation, Government of India, it is evident that the States of Assam, Bihar, Gujarat, Maharashtra, Mysore, Orissa, Rajasthan and West Bengal and the Union Territory of Delhi, are agreeable in principle to entrust audit to Chartered Accountants with certain stipulations. In fact, some of them are already entrusting the work to Chartered Accountants. Steps are being taken to contact these State Governments for settling the procedure for appointment of Auditors.

In the Madras State the Co-operative Department has already decided to entrust to the Chartered Accountants the audit of the accounts of Co-operative Sugar Mills and Co-operative Spinning Mills from the Co-operative year beginning from 1968-69 and from 1967-68 in respect of a few institutions.

## 11. SCALE OF FEE FOR WORK DONE BY CHARTERED ACCOUNTANTS

At its meeting held in March, 1968, the Council has revised the scale of fees for the work done by Chartered Accountants in India. The revised scale is reproduced below:—

- "1. For giving \*expert evidence in courts in law in Union of India:—between Rs. 250 and Rs. 1000 according to the professional standing of witness, for each day spent in attendance and/or travelling.
2. 'Other work' not requiring any unusual attention on the part of the principal:—
  - (a) Audits, Accountancy and Secretarial work
 

Principal	Rs. 50 to Rs. 150 per hour.
Qualified Assistants	Rs. 25 to Rs. 75 per hour.
  - (b) Investigation and other special assignments
 

Principal	Rs. 75 to Rs. 250 per hour.
Qualified Assistants	Rs. 30 to Rs. 100 per hour.

Office time spent in travelling is chargeable, and, in addition travelling and out-of-pocket expenses in the case of out-station work.

\*The term "expert evidence" includes evidence which an accountant is called upon to give by virtue of his having conducted audits or investigation.

NOTE.—It may please be noted that the above scale is of recommendatory nature."

## 12. JOURNAL OF THE INSTITUTE—"THE CHARTERED ACCOUNTANT"

In the year under report, steps were taken to improve the quality and utility of the Journal by publication of articles on a wider variety of subjects and by addition of special features.

The average net paid circulation of the Journal increased from 10,413 copies to 10,759 copies per month, as has been certified by the Audit Bureau of Circulation Ltd., Bombay.

## 13. PUBLICATIONS

The following publications were brought out during the year under report:—

1. Statement on Auditing Practices (2nd edition).
2. Booklet relating to seminar on "Accountant in Industry".
3. Proceeding of Taxation Seminar—1968.
4. Proceedings of Eighth All India Seminar on Management Accounting—1968.
5. Taxation and Accounting Concepts.
6. Code of Conduct (3rd edition).

7. Paper Book of Residential Training course on Public Accountability in a Developing Economy.
8. A Guide to Tax Practice.

#### IV. Other Matters

### 1. THE CHARTERED ACCOUNTANTS ACT AND REGULATIONS—THE CHARTERED ACCOUNTS ACT

- (a) Extension of the Act to the State of Jammu & Kashmir.

Section 1(2) of the Act has been amended so as to extend the jurisdiction of the Act to the State of Jammu & Kashmir. The change came into effect on 15th August, 1968.

(b) The following are the changes suggested to the Government during the year under Report for amendment of the Chartered Accountants Act:—

- (i) *Change in the nomenclature of Articled Clerks to Articled Trainees.*

The Council has suggested that nomenclature of "articled clerks" be changed to "articled trainees".

- (ii) *Amendment of Section 15 of the Chartered Accountants Act.*

The Council has suggested that Section 15 of the Chartered Accountants Act be amended so as to include among the functions of the Council, the providing of facilities to students including construction of hostels.

### THE CHARTERED ACCOUNTANTS REGULATIONS

The following are the more important amendments in the Chartered Accountants Regulations made during the year:

(a) To meet the growing demand of vacancies for training articled clerks, Regulation 29 was amended to provide the raising of maximum number of articled clerks that a Fellow Member can train from 4 to 5. It has also been provided that the additional vacancies for training graduates who have secured not less than 60 per cent marks in the aggregate in their degree examination, which were being given in the past to firms of chartered accountants in the ratio of one for every two partners, be now given at the rate of one for every partner entitled to train articled clerks. (Notification No. 1-CA(22)/68 dated 29-7-1968).

(b) Paragraph 15 was added to Schedule 'B' to the Regulations to provide for the recognition of part of training and/or examinations of certain recognised accountancy bodies outside India, on satisfying certain prescribed conditions, in the case of persons of Indian origin who have been citizens of or permanent residents of foreign countries and who migrate to India with a view to permanently settling down in the country (Notification No. 1-CA(23)/68 dated 10th January 1969).

(c) In order that the remission in the period of practical training of articled and audit clerks may act as an incentive for better performance, Paragraph 12 of Schedule 'B' as amended to provide that the remission of one year in the period of training be given to those who secure a minimum of 60 per cent marks in the aggregate in the Intermediate Examination of the Institute at their first appearance, irrespective of their performance at their degree examination and even irrespective of whether they are graduates or not (Notification No. 1-CA(25)/69, dated 7-9-1968).

(d) Regulation 17 was amended to provide that in a case where the name of a member is removed from the Register of Members on account of non-payment of fees, the name be restored on payment of arrears only in respect of the Annual Membership and Regional Council fee for the year in which the name was removed but not for the years intervening between the year of removal and the year of restoration, as was the earlier practice under this Regulation. (Notification No. 1-CA(27)/69, dated 26th February 1969).

### 2. JOINT COMMITTEE ON THE FUTURE OF THE ACCOUNTANCY PROFESSION IN INDIA

The Report was considered by the Council who unanimously endorsed the basic recommendation of the Committee that the Accountancy profession being one, its affairs should be managed by a single Institute. The Council also appointed a Special Committee to go into the individual recommendations and

submit a Report to the Council on the feasibility of implementing them on the basis of which it was proposed to address the Government on the matter. The Special Committee has submitted its Report.

### 3. HISTORY OF ACCOUNTANCY PROFESSION IN INDIA

Shri G. P. Kapadia has completed his first draft of the History of the Accountancy Profession in India and it can now be confidently expected that the publication will be issued by the time of the Report for the coming year.

### 4. HINDI COMMITTEE

The Committee has revised the Hindi translation of Schedule VI to the Companies Act, including the Form of Balance Sheet and Profit & Loss Account in light of the terminology of 700 words in Hindi on Accountancy and Auditing approved by the Commission for Scientific and Technical Terminology. It has also finalised the Hindi version of the Auditor's Report under the Companies Act.

The Committee is now engaged in translating the Forms of Balance Sheet and Profit & Loss Account for various classes of companies, such as Banking, Insurance and ...

### 5. PUBLICITY TO INSTITUTE'S ACTIVITIES ON 1-7-1968

On the completion of 19 years' of existence of the Institute on 1st July, 1968, an announcement was published in the leading newspapers of the country to educate the public about the useful role of the profession in the development of the country's economy.

### 6. INSTITUTE'S CONTRIBUTION IN THE CELEBRATION OF GANDHI CENTENARY

Institute's contribution to the celebration of Gandhian virtues to the profession were highlighted in an editorial in December 1968 issue of "The Chartered Accountant" and the President also contributed an article on the topic under "President's page" in February 1969 issue.

Further, the Regional Councils have been requested to organise on this topic symposia at important centres.

### 7. INSTITUTE OF COMPANY SECRETARIES

It was represented to the Government of India that there is a world wide trend towards consolidation rather than multiplication of professional Institutes and that therefore they should not insist on setting up a separate Institute of Company Secretaries. It was pointed out that Chartered Accountants, because of their specialised training and education are most suitable to act as Company Secretaries; therefore there is no objection that the demand for company secretaries has exceeded the supply in a number of firms but if at any time such demand increases, the Institute of Chartered Accountants would be prepared to meet the challenge and revise the syllabus of its examinations, even though it feels that the existing syllabus is quite adequate for the purpose.

The Council regrets that in spite of its representation in the matter, the Government of India have set up the Institute of Company Secretaries.

### 8. REPRESENTATION TO GOVERNMENT AGAINST THE FORMATION OF THE INSTITUTION OF VALUERS

The following note was published by the Council in December 1968 issue of "The Chartered Accountant":

"It has been brought to the notice of the Council that an institution called "Institution of Valuers", has been set up as a Society under the Societies Registration Act. The Institution aims to bring into its fold all types of valuers, whether approved by the Central Board of Direct Taxes or not, to confer on them fellowship and to permit them to style themselves as "F.I.V.".

It is understood that the Institution has sent a circular to a large number of Chartered Accountants inviting them to join its ranks. The Council is strongly of the view that it would not be in the interest of the Chartered Accountants to join this Institution which has as its members, persons who are not subject to the disciplinary jurisdiction of any government or other authority.

The Council therefore, advises the members not to join the Institution of Valuers."



A representation was also made to the Government of India suggesting that relevant statutes be amended to prevent the formation or functioning of such institutions.

#### 9. NOMINEES OF THE COUNCIL ON OTHER BODIES.

The Council was represented on the following outside bodies by its members whose names are given opposite the names of the organisations:—

1. The General Council of the Institute of Applied Manpower Research. Shri V. B. Nar bhakti
2. The National Productivity Council. Shri S. N. Desai till 11-2-1969  
Shri P. M. Narielvala thereafter
3. The All India Board of Technical Studies in Commerce Shri R. Thakur
4. The All India Board of Technical Studies in Management. Shri P. K. Lahiri
5. Study Group for Commercial subjects—Directorate General of Employment and Training. Shri R. Thakur
6. Inter University Board of India & Ceylon (Committee for assisting in the preparation of a code of financial procedure for universities). 1. Shri B. R. Malhotra  
2. Shri Mahesh Datta

#### 10. EMPLOYEES PROVIDENT FUNDS ACT.

In view of several enquiries received from the members of the Institute, the Council decided at its meeting held in March 1969 that the following clarificatory note be published in the Institute's Journal:—

"Members may be aware that since 1963 the Employees' Provident Funds Act, 1952, is applicable to establishments of Chartered Accountants, employing 20 or more persons. The normal rate of contribution towards provident fund in such cases is 6½ per cent of the wages. By their Notification dated 24th December, 1968, the Government of India have increased the rate of contribution from 6½ per cent to 8 per cent under the first proviso to Section 6 of the said Act, in the case of establishments of Chartered Accountants employing 50 or more persons.

A question has been raised whether while calculating the number of employees for purposes of the said Act, articled and audit clerks should be included. The Act itself defines an "employee" as any person who is employed for wages. An Articled clerk is merely an apprentice or an under-study to whom facility is being afforded by the Chartered Accountant concerned in his office to receive training and he is a clerk who works with him for the specific purpose of learning the practical aspects of the profession with a view to becoming a Chartered Accountant. Even if an Articled Clerk is being paid an honorarium, he is not an employee within the meaning of the said Act as he is not employed for "wages". It, therefore, follows that articled clerks working in firms of Chartered Accountants should not be counted while computing the number of employees in the firms for purposes of the said Act.

On the other hand, audit clerks are primarily paid employees of the Chartered Accountants who are given the benefit of receiving training under the Chartered Accountants Regulations. As such they should be taken into account while calculating the number of employees for purposes of the above Act."

#### 11. LIBRARY.

During the year 443 books were added to the Central Council Library at New Delhi bringing the total number of books to 7720. Increasing use of the Library was made by members and students, as would be clear from the following figures:—

Year	Attendance No. of books consulted
1965-66	3852 6508
1966-67	4500 7000
1967-68	4810 7800
1968-69	4900 8300

In addition, books are being sent from Central Council Library, New Delhi, by post to members who are preparing for the Post-Graduate Course in Management Accountancy and residing outside Delhi.

The Council sanctioned a total amount of Rs. 2300/- for the purchase of books for the Regional Council Libraries and the number of books in them during the year 1968-69 are given below:

Region	Total No. Attendance of Books	No. of Books consumed
W.I.R.C., Bombay	3638	580 1800
S. I. R. C., Madras	2297	1856 1475
E.I.R.C., Calcutta	2791	5535 2067
C. I. R. C., Kanpur	793	1000 120

There are 480 books on Management Accountancy in the Regional Council Libraries for the use of members who are preparing for the Management Accountancy Examination.

## 12. CONSTRUCTION OF ANNEXE TO THE INSTITUTE'S BUILDING

The work relating to the construction of the Annexe is in progress. The work on phase I—Piles foundation work and construction of lower and upper basement is expected to be completed by the end of August, 1969. Tenders for phase II—Construction of superstructure for the Annexe have been called for and the work on this will start in September, 1969. The entire project is expected to be completed by the end of July, 1970.

## 13. CHARTERED ACCOUNTANTS' BENEVOLENT FUND

During the year, the number of members increased from 141 to 157 and a sum of Rs. 4950/- was disbursed to the widows of the members of the Institute and the members in need. The balance to the credit of the Fund at the end of the year stood at Rs. 54,809/- as against Rs. 50,731/- at the end of the previous year.

## 14. VAIDYANATH AIYAR MEMORIAL FUND

1. To help poor students during the year 4 scholarships of Rs. 50/- each tenable for one year were granted; two to articled clerks serving in the Southern India Region, one to an articled clerk serving in the Western India Region and another to an articled clerk serving in the Northern India Region. In addition, two merit scholarships also of Rs. 50/- each tenable for one year were granted to students who had secured one of the first five positions in the Intermediate Examination but were not eligible to scholarships under the Merit and Loan Scholarship Scheme, held in May 1968 and another two to those who had secured similar positions in the Intermediate Examination in November 1968.

2. A Memorial lecture by Shri S. Y. Krishnaswamy, I.C.S. (Retd.) was held at Madras on 1st March, 1969 under the auspices of the Southern India Regional Council on the subject "Creation and Deployment of Capital". Another Memorial lecture by Shri N. K. Bhattacharyya, Director of Commercial Audit was held on 31st March, 1969 at Delhi under the auspices of Northern India Regional Council on the subject "Audit of Public Sector Undertakings".

3. The number of members of the fund increased during the year from 14 to 17. At the end of year the balance to the credit of the Fund was Rs. 18082/- as against Rs. 18091/- at the end of the previous year.

## V. Conferences

### 1. ALL INDIA CONFERENCE OF CHARTERED ACCOUNTANTS

It has been decided to hold the All India Conference of Chartered Accountants at Calcutta in December 1969.

A Conference Committee, consisting of the following members has been appointed for organising the Conference:—

Shri R. Venkatesan, F.C.A., Chairman.  
Shri H. B. Dhondy, F.C.A., Vice-Chairman.  
Shri M. C. Bhandari, F.C.A.,  
Shri P. K. Lahiri, F.C.A.,  
Shri P. K. Mallik, F.C.A.,  
Shri P. M. Narielvala, F.C.A.,  
Shri G. M. Saha, F.C.A.,  
Shri U. C. Majumdar, F.C.A.,  
Shri B. S. Kothari, F.C.A.,  
Shri K. Chakrabarti, F.C.A.,  
Shri D. K. Banerjee, F.C.A.,  
Shri M. Choudhury, F.C.A.,  
Shri Mahitosh Das, A.C.A.,

The Committee has appointed a number of Sub-Committees to assist it in its work.

### 2. SIXTH CONFERENCE OF ASIAN AND PACIFIC ACCOUNTANTS

The Sixth Conference of Asian and Pacific Accountants will be held jointly by the Singapore Society of Accountants and the Malayasian Institute of Accountants in Singapore and Kuala Lumpur between 17th August and 26th August 1970. The Council has received an invitation for sending a delegation to the Conference. Members of the Institute desirous of attending the Conference were invited to intimate their desire to the Council and a selection of the delegation is being made.

The Vice-President, Shri H. B. Dhondy, is preparing a paper on the "Scope and Practice of the Accountancy Profession" for the Conference.

### 3. REGIONAL SECRETARIAT FOR THE ASIAN AND PACIFIC ACCOUNTANTS' CONFERENCE.

At the meeting of the heads of delegations to the Fifth Conference of Asian and Pacific Accountants held in February 1968 in New Zealand, a proposal for the setting up of a Regional Secretariat for the Asian and Pacific Accountants' Conferences was considered and it was decided to request the Member-Bodies to send their views on the proposal to the Chairman of the next Conference which is scheduled to be held in Singapore in 1970.

The proposal was considered by the Council and the following recommendations have been made.

(i) in view of the financial implications of the proposal for a Regional Secretariat for Asian and Pacific Accountants' Conference and the considerable financial outlay on international level that it might entail, it was not necessary to set up a permanent Secretariat at one particular place for the time being;

(ii) a start might be made in the matter by setting up a Regional Secretariat, the head-quarters of which would move from the host country of one conference to the host country of the next conference;

(iii) the organisation and the functions of the Secretariat should be clearly and precisely spelt out and a manual of organization and functions should be prepared for the guidance of the host country for each Conference. This manual might be continuously revised and improved in the light of the experience gained at successive conferences. A climate must be created, organization set up and administrative arrangements spelt out to ensure that the revolving Regional Secretariat functioned effectively;

(iv) such a Secretariat should, in addition to organising the next Conference perform the following functions:

1. to publish reports on areas of common agreement on matters of professional interest.

2. to arrange the exchange and study of appropriate publications in the member countries of the Region.
3. to disseminate in the member countries information of interest to the profession emanating from all the quarters of the world.
4. to assist the host country in organising the next Conference.
5. to arrange the visit of eminent Accountants to the area.
6. generally, to assist the national institutes to serve the profession in their respective countries and to assist in the international development of the profession;

(v) the feasibility of securing administrative and/or financial assistance from the United Nations in this matter might be explored;

(vi) the Regional Secretariat of the Conference should not be stationed in the office of any individual firm;

(vii) the language of the Regional Secretariat for the time should be only English.

## VI. Regional Councils and their Branches

### 1. CO-OPTION OF MEMBERS ON COMMITTEES OF REGIONAL COUNCILS

The Council has decided to amend the Chartered Accountants Regulations to provide that:

- (i) Regional Councils may co-opt members of the profession, who are not members of the Regional Councils to be members of its Committees, with the condition that the number of members so co-opted shall be within the ceiling applicable to committees of the Council of the Institute under Section 17(2) of the Chartered Accountants Act;
- (ii) that the chairman of any committee of the Regional Council shall always be a member of the Regional Council and not one of the co-opted members

### 2. MAIN ACTIVITIES OF REGIONAL COUNCILS.

Regional Councils continued to function in five Regional constituencies viz., Western (Bombay), Southern (Madras), Eastern (Calcutta), Central (Kanpur) and Northern (Delhi). The Regional Councils were very active and arranged several conferences seminars lectures, study circles meetings etc. A reference to the more important activities is given below:—

#### *Western India.*

The first Regional Conference of Chartered Accountants was held in Bombay on 8th and 9th February, 1969. The Conference was inaugurated by Shri Arvind Malalal. Subjects discussed at the Conference laid stress in disseminating knowledge on the latest development and modern thinking on the several facets of the accounting profession.

A Seminar on 'Shri Bhoothalingam Report on Rationalisation and Simplification of Tax Structure' was held on 13th July 1968 at Bombay. Shri K. C. Pant, Union Minister of State for Finance inaugurated the Seminar.

#### *Southern India.*

A Seminar on 'Working Capital Management' was organised jointly with Madras Management Association and the Indian Institute of Management, Ahmedabad, Alumni Association, Madras, on 1st March, 1969.

A Seminar on 'Shri Bhoothalingam Report on Rationalisation and Simplification of Tax Structure' was organised on 15th June 1968 at Madras. The speakers included Shri K. Santhanam, ex-Lt. Governor, Shri T. V. Viswanatha Iyer, President, Bar Association, Madras, and Shri S. Narayanaswamy Sheriff of Madras.

#### *Eastern India.*

The Fourth Regional Conference on the principal theme 'Accountants Role in National Problem' was organised on 29th and 30th June, 1968. Hon'ble Mr. Justice D. N. Sinha Chief Justice, Calcutta High Court inaugurated the Conference. The Conference was attended by more than 300 delegates.

A seminar on 'Shri Bhoothalingam Report on Rationalisation and Simplification of Tax Structure' was held on 10th August 1968. Shri K. S. Sundra Rajan, Chairman, Central Board of Direct Taxes, inaugurated the Seminar. Computer Training

classes in collaboration with the Indian Statistical Institute were arranged for a period of two weeks from 9th September, 1968. A Seminar on 'Company Management' was held on 15th February, 1969. Shri S. K. Dutta, I.C.S., Chairman, Company Law Board, inaugurated the Seminar.

#### Central India.

A Seminar on 'Shri Bhoothalingam Report on Rationalisation and Simplification of Tax Structure' was held at Kanpur on 28th July 1968. Mr. Justice T. P. Mukerji of the Allahabad High Court inaugurated the Seminar.

### 3. ACTIVITIES OF THE BRANCHES OF REGIONAL COUNCILS

Three branches in Western India Region *viz.*, Ahmedabad, Baroda and Poona. and five in Southern India Region *viz.*, Bangalore, Coimbatore, Ernakulam, Hyderabad and Madurai also continued to function.

Coimbatore branch conducted a Seminar on Taxation on 12th April, 1968.

## VII. Members

### 1. MEMBERSHIP CHANGES.

The number of members of the Institute on 31st March 1969 was 9368—an increase of 758 since 31st March, 1968. During the year, 228 Associates were enrolled as Fellows as compared to 179 in the previous year. A table showing the number of members on 31st March 1969, compared to the number on 31st March 1968, is given in Appendix III.

### 2. LIST OF MEMBERS.

The list of members as on 1st April 1969 has been published and copies have been supplied to the members who asked for the same.

The postal zone numbers have also been published in the list after the addresses wherever the information was available.

### 3. DISCIPLINARY ACTION.

Details of the findings of the Council in the cases referred by it for enquiry to the Disciplinary Committee under Regulation 11(8)(i) since the last report are given in Appendix IV.

### 4. LEVY OF DEPOSIT WITH COMPLAINTS.

In order to discourage frivolous and baseless complaints against members, a request was made to the Government of India to provide that every complaint should be accompanied by a deposit of Rs. 100/- which would be refunded to the complainant if the Council comes to a decision that there is a *prima facie* case against the member concerned. On the other hand, if the Council comes to the conclusion that there is no *prima facie* case, the deposit would be forfeited. It has been explained to the Government that it is not the Council's intention to discourage complaints against members in genuine cases and that the proposal has been made with the sole object of preventing frivolous or *mala fide* complaints.

The matter is under consideration of the Central Government.

## VIII. Award for the best presented accounts

During the year under report, 196 entries were received, as against 109 last year, for the best presented accounts. The following awards were made:—  
Institute's Shield for the best presented Accounts during 1966-67.

The Dunlop (India) Limited, for its annual report and accounts for the year ended 31st December 1966.

#### *Institute's Plaques for highly commended Accounts*

1. Sandvik Asia Limited, for the year ended 30th November, 1966.
2. Pfizer Limited, for the year ended 31st March 1967.
3. The Jay Engineering Works Limited, for the year ended 31st March 1967.

As in the past, the ranking of the highly commended Accounts '*inter se*' was not fixed.

## IX. Articled and Audit Clerks

## 1. SPECIAL COMMITTEE ON TRAINING AND EDUCATION

In 1963 the Council considered the Report of a Special Committee on Training and Examinations and in the light of the recommendations made by it, many modifications were introduced in the Chartered Accountants Regulations. Events subsequent to that have necessitated a reappraisal of the situation through a comprehensive enquiry into the whole structure of education and training once again for ensuring that members are adequately equipped for rendering services which are in harmony with the requirements of the Society and fit in with the environment in which the members of the profession function. Taking into consideration the changing role of an Accountant in modern economy, the impact of the technological changes in the accounting techniques, the increasing close inter relationship with other disciplines, the increasing demands made on him by the growing needs of modern management in the field of decision making and other relevant factors and events including the recommendations of the Joint Committee on the Future of the Accountancy Profession in India, the Council has appointed a Special Committee to enquire into all the issues concerning educational and examination system for membership as also the continuing education of the members and make suitable recommendations to enable Chartered Accountants to approach future problems with competence and imagination.

This Special Committee consists of the President in Office, Shri R. Venkatesan—Chairman, the Vice-President in Office, Shri H. B. Dhondy—Vice-Chairman, Sarvaswari V. B. Haribhakti, N. C. Krishnan, P. M. Narielvala, A. B. Tandan, Rameshwar Thakur (Council Members) and Shri A. K. Sen, Managing Director, Indian Oxygen Ltd., as members.

A detailed questionnaire for eliciting views on the various issues involved has been sent to all members and students.

We have received replies from the members and students giving comments and suggestions. The Committee will meet shortly heads of important Public Sector Units, leaders in Industry and leading Educationists Members of Parliament, representatives of the Chambers of Commerce, Senior Members in the profession for eliciting their views.

## 2. FRESH ENROLMENTS.

The number of articled and audit clerks registered during the year, compared to those registered in the previous year are given below:

	1968-69	1967-68
Articled Clerks . . . . .		
Audit clerks . . . . .	1023	99
TOTAL . . . . .	1237	360

## 3. RECOGNITION OF PART OF TRAINING AND/OR EXAMINATIONS OF FOREIGN BODIES.

The Council decided that if a person of Indian origin, who had been living abroad for at least 5 previous years, migrates to India and provides satisfactory proof that merely by reason of his migration, he has not been able to pass all the examinations or complete the training of a recognised accountancy institution of that country and also proves that he has settled down permanently in India and has obtained Indian citizenship, he shall be allowed certain concessions on satisfying certain conditions in the matter of recognition, under the Chartered Accountants Regulations, of the examinations already passed or training already undergone in the other country. The institutions which are proposed to be recognised for the present for this purpose are:

1. The Institute of Chartered Accountants in England and Wales.
2. The Institute of Chartered Accountants in Scotland.
3. The Institute of Chartered Accountants in Ireland.
4. The Institute of Chartered Accountants of Ceylon.

5. The Public Accountants' and Auditors' Board of South Africa.
6. The Institute of Chartered Accountants of Pakistan.
7. Board set up under the Burma Auditors' Certificates Rules.
8. The Institute of Chartered Accountants in Australia.

Necessary amendments to the Regulations have been made.

#### 4. ADDITIONAL VACANCIES AND INCREASE IN NUMBER OF VACANCIES.

With a view to increasing the training facilities available with members in practice, helping the prospective articled clerks to find suitable employers and eliminating complaints from articled clerks, the Council had decided that:—

(a) the additional vacancies for training first class graduates which were being given in the case of a firm of Chartered Accountants in the ratio of one for every two partners, be given at the rate of one for every partner entitled to train articled clerks;

(b) as against the existing ceiling of 4 articled clerks after completion of 15 years of continuous practice a Fellow Member be allowed to train four articled clerks after completion of 10 years of continuous practice and 5 articled clerks after completion of 15 years of continuous practice.

#### 5. MAINTENANCE OF LIST OF VACANCIES OF ARTICLED CLERKS.

The Council has prepared a list of vacancies for articled clerks available with the members of the Institute all over the country. This list contains the names of the members of the Institute with their full postal addresses townwise and Regionwise and also the date or dates on which the vacancies would arise. Students desirous of taking up the course may refer to the list at the Headquarters of the Institute at Delhi and also at the offices of the Regional Councils at Bombay, Madras, Calcutta, Kanpur and also at branch offices of the Regional Councils at Ahmedabad, Bangalore, Baroda, Coimbatore, Ernakulam, Hyderabad, Madurai, Poona and Jaipur.

#### 6. PERMISSION FOR OTHER COURSES—"WORKING HOURS OF EMPLOYER CLARIFIED.

The articled and audit clerks are being permitted to attend classes for other courses provided the classes were not held between 10-30 A.M. and 5.00 P.M. and also provided that this was outside the normal working hours of their employer. The Council has decided that the "normal working hours" of the employer while considering the grant of permission to articled/audit clerks for study of other courses be interpreted to mean the normal working hours prescribed by the employer for all his articled clerks which need not necessarily be the same as the working hours for his establishment in general.

#### 7. COACHING BOARD.

(a) During the year under report, 3016 students were enrolled for the Intermediate Course as against 2453 in the previous year; also 1647 students commenced tuition for the Final Examination as against 1379 in the previous year. Moreover, a larger number of students were able to complete their courses for both the examinations. The details as regards the number of students to whom tuition was provided during the year and the number of students who were on rolls at the end of the year are contained in Appendix V.

##### (b) *Revision Classes:*

These continued to be popular and a large number of students attended them, specially at Regional Headquarters. During the year, Revisional Classes were organised at 11 centres. To provide for the participation of students and academicians in their organisation, the Board has decided that every agency conducting them should set up a Coaching Committee; two of the members of every such committee should be office bearers of the Students' Association of the area and two should be lecturers in Commercial subjects at local colleges.

Since a number of students who take up the course are not commerce graduates, some of them are not able to make adequate progress with their studies. For their benefit extended Revision Courses were conducted at Madras, Bangalore and Hyderabad.

It is expected that these would reduce the number of bad failures.

**(c) Students' Libraries:**

During the year, it was possible to establish libraries in two more towns; Jodhpur and Cuttack. With their establishment their number has increased to 14, not including those at the Regional headquarters. Since they are helpful to students, there is a demand for their establishment from other towns also for increasing the stock of books placed therein.

**(d) Counselling Service:**

In order that students may be able to personally present the difficulties encountered by them in the course of their studies to experienced lecturers for obtaining their guidance, it has been decided that at each Regional Headquarters the strength of academic staff should be increased.

**(e) Other facilities provided to students:**

- (i) A short course in English with professional bias has been introduced from 1st July, 1968.
- (ii) Incentives have been provided to students to encourage them to contribute articles to the Students' Page of the Institute Journal and to participate in Regional Declamation Contests.
- (iii) Liaison Committees have been set up at Regional Headquarters to build another channel of communication between the students and the Board for ascertaining their views and reactions to the courses set out by the Board.

**(f) Merit and Loan Scholarship:**

The Rules for grant of Loan Scholarship have been relaxed. These enable students to obtain loan scholarship under the scheme, without furnishing any Surety Bond. During the year 10 Merit and 14 Loan Scholarships were awarded. The applications for six loan scholarships are under consideration.

**8. STUDENTS' ASSOCIATIONS AND THEIR BRANCHES**

The Students' Associations and their Branches were very active during the year. They held conferences, lectures, meetings, symposia etc., and arranged industrial visits and picnics. In addition to the four branches of Southern India Chartered Accountants Students' Association and two branches of Western India Chartered Accountant Students' Association, three new branches of the Students' Association at Baroda, Ernakulam and Jaipur have also started functioning.

**X. Examinations****1. WITHDRAWAL OF REGULATION 38 AND 58 REGARDING BAD FAILURES.**

Existing regulations 38 and 58 of the Chartered Accountants Regulations respectively provide for the termination of service of an articled or audit clerk who has been classified as a "bad failure" at the Intermediate Examination of the Institute. After considering the difficulties involved in implementing these provisions, the Council has decided to withdraw these two regulations. As a result, there would be no "termination" of the service, though, as provided in paragraph 4 of Schedule "B" to the Chartered Accountants Regulations, the clerk would still be debarred from appearing in the Intermediate Examination if he has failed to pass it at any of the six examinations held immediately after he became entitled to appear.

**2. REVISION OF THE LIST OF BOOKS RECOMMENDED FOR STUDY.**

The Council has revised and abridged the list of books recommended as text books and books for reference or advanced study.

**3. EXAMINATIONS IN 1968**

The Examinations were held as usual in May and November, 1968, at various centres all over India. The statistics regarding the number of candidates who appeared and those declared successful are given in Appendix VI.

**4. PRIZES AND CERTIFICATES OF MERIT.**

Names of the candidates who were awarded Prizes and Certificates of Merit in these examinations are included in Appendix VIII.



## XI. Obituary

### 1. Shri N. M. Raiji:

At its meeting held in September 1963, the Council condoled the death of Shri N. M. Raiji, a former member of the council, and a copy of the resolution passed was sent to the bereaved family.

### 2. Death of Members:

The Council records with regret the sad demise, during the year, of the members whose names are given in Appendix VIII.

## XII. Appreciation

The Council wishes to place on record its grateful thanks to the Government for its continued support and assistance.

The Council also wishes to place on record its appreciation of the work done by the officers and staff during the year under report.

C. Balakrishnan  
Secretary

H. B. Dhondy  
Vice-President

R. Venkatesan  
President

New Delhi : Dated 16th September 1969.

## APPENDICES I A, B, & C.

(Reference Sections IA & IC of the Report)

### A. MEMBERS OF THE COUNCIL

	VENKATESN, R.	President
	DHONDY, H. B.	Vice President
Anderson, J. . . . .		Bombay
Argade, S. G. . . . .		Bombay
Arjunan, K. A. . . . .		Madras
Bhandari, M. C. . . . .		Calcutta
Bhattacharyya, N. K. . . . .		New Delhi
Bose, A. C. . . . .		New Delhi
Brahmayya, P. . . . .		Madras
Damania, H. M. . . . .		Bombay
Gargiyya, B. D. . . . .		Bewar
Haribhakti, V. B. . . . .		Bombay
Jain, R. N. . . . .		New Delhi
Khanna R K. . . . .		New Delhi
Kothari, B. S. . . . .		Calcutta]
Krishnan, N. C. . . . .		Madras
Lahiri P. K. . . . .		Calcutta
Majumdar U. C. . . . .		Shillong
Mallik, P. K. . . . .		Calcutta }
Narielvala, P. M. . . . .		Calcutta }
Parikh, Anil M. . . . .		Bombay
Rao, H. A. K. . . . .		Bangalore
Saha, G M. . . . .		Calcutta
Talati, H.M. . . . .		Ahmedabad }
Tandan, A. B. . . . .		Kanpur
Thakkar, A. S. . . . .		Bomaby
Thakur, R. . . . .		New Delhi

### B. MEMBERS OF THE VARIOUS COMMITTEES

#### (a) STANDING COMMITTEES

##### (i) Executive Committee

Shri R. Venkatesan, President.  
Shri H. B. Dhondy, Vice-President.  
Shri R. K. Khanna.  
Shri N. C. Krishnan.  
Shri P. K. Lahiri.

(ii) *Examination Committee*

Shri R. Venkatesan, President.  
 Shri H. B. Dhondy, Vice-President.  
 Shri K. A. Arjunan.  
 Shri M. C. Bhandari.  
 Shri H. M. Damania.

(i) *Disciplinary Committee*

Shri R. Venkatesan, President.  
 Shri H. B. Dhondy, Vice-President.  
 Shri N. K. Bhattacharyya.  
 Shri V. B. Haribhakti.  
 Shri G. M. Saha.

(b) **NON-STANDING COMMITTEES**(i) *Research Committee*

Shri J. Anderson, Chairman.  
 Shri P. M. Narivelvala, Vice-Chairman.  
 Shri R. Venkatesan, President (ex-officio).  
 Shri H. B. Dhondy, Vice-President (ex-officio).  
 Shri K. A. Arjunan  
 Shri H. M. Damania  
 Shri B. S. Kothari  
 Shri P. K. Malik  
 Shri A. B. Tandan  
 Shri M. H. Modi  
 Shri B. N. Pardiwalla      Co-opted Members  
 Shri A. K. Sen.

(ii) *Post Graduate Course Committee*

Shri H. M. Talati, Chairman  
 Shri H. M. Damania, Vice-Chairman  
 Shri R. Venkatesan, President (ex-Officio)  
 Shri H. B. Dhondy, Vice-President (ex-Officio)  
 Shri K. A. Arjunan  
 Shri V. B. Haribhakti  
 Shri P. K. Lahiri  
 Shri P. K. Mallik  
 Shri M. P. Chitale  
 Shri A. K. Sen      } Co-opted Members

(iii) *Professional Development Committee*

Shri R. Thakur, Chairman  
 Shri A. C. Bose, Vice-Chairman  
 Shri R. Venkatesan, President (ex-Officio)  
 Shri H. B. Dhondy, Vice-President (ex-Officio)  
 Shri P. Brahmayya  
 Shri R. K. Khanna  
 Shri U. C. Majumdar  
 Shri P. M. Narivelvala  
 Shri S. N. Desai  
 Shri S. V. Ghatalia  
 Shri R. N. Rajam Aiyar      } Co-opted Members

(iv) *Taxation Committee*

Shri P. Brahmayya, Chairman  
 Shri R. N. Jain, Vice-Chairman  
 Shri R. Venkatesan, President (ex-officio)  
 Shri H. B. Dhondy, Vice-President (ex-officio)  
 Shri S. G. Argade  
 Shri B. S. Kothari  
 Shri N. C. Krishnan  
 Shri H. A. K. Rao  
 Shri G. M. Saha  
 Shri A. B. Tandan  
 Shri A. S. Thakkar  
 Shri R. R. Khullar  
 Shri Y. H. Malegam      } Co-opted Members

**(v) Coaching Board**

Shri Anil M. Parikh, Chairman  
 Shri H. M. Talati, Vice-Chairman  
 Shri R. Venkatesan, President (ex-officio)  
 Shri H. B. Dhondy, Vice-President (ex-officio)  
 Shri V. B. Haribhakti  
 Shri U. C. Majumdar  
 Shri P. M. Narielvala  
 Shri H. A. K. Rao  
 Shri A. B. Tandan

**(vi) Expert Advisory Committee**

Shri P. M. Narielvala, Chairman  
 Shri A. S. Thakkar, Vice-Chairman  
 Shri R. Venkatesan, President (ex-officio)  
 Shri H. B. Dhondy,  
 Shri J. Anderson, Member-Secretary  
 Shri C. C. Chokshi—Co-opted Member

**(vii) Ad Hoc Committee for looking into complaints of unjustifiable removals from Auditorship**

Shri A. S. Thakkar, Chairman  
 Shri B. S. Kothari, Vice-Chairman  
 Shri R. Venkatesan, President (ex-officio)  
 Shri H. B. Dhondy, Vice-President (ex-officio)  
 Shri U. C. Majumdar

**(viii) Employment Committee**

Shri M. C. Bhandari, Chairman  
 Shri S. G. Argade, Vice-Chairman  
 Shri R. Venkatesan, President (ex-officio)  
 Shri H. B. Dhondy, Vice-President (ex-officio)  
 Shri K. A. Arjuman  
 Shri B. D. Gargieya  
 Shri U. C. Majumdar  
 Shri Anil M. Parikh  
 Shri S. Raghavan—Co-opted Member

**(ix) Hindi Committee**

Shri B. D. Gargieya, Chairman  
 Shri B. S. Kothari, Vice-Chairman  
 Shri R. Venkatesan, President (ex-officio)  
 Shri H. B. Dhondy, Vice-President (ex-officio)  
 Shri M. C. Bhandari  
 Shri R. Thakur  
 Shri P. S. Bhargava  
 Shri V. K. Tembe } Co-opted Members

**(x) Editorial Board**

Shri H. B. Dhondy, Editor-in-Chief  
 Shri J. Anderson  
 Shri S. G. Argade  
 Shri H. M. Damania  
 Shri V. B. Haribhakti  
 Shri Anil M. Parikh  
 Shri H. M. Talati  
 Shri A. S. Thakkar

**(xi) Special Committee on Education and Training**

Shri R. Venkatesan, President (Chairman)  
 Shri H. B. Dhondy, Vice-President (Vice-Chairman)  
 Shri V. B. Haribhakti  
 Shri N. C. Krishnan  
 Shri P. M. Narielvala  
 Shri A. B. Tandan  
 Shri R. Thakur  
 Shri A. K. Sen—Co-opted Member

(xii) *Special Committee for review and implementation of Joint Committee Report*

Shri R. Venkatesan, President (Chairman)  
 Shri H. B. Dhondy, Vice-President (Vice-Chairman)  
 Shri P. Brahmayya  
 Shri R. Thakur  
 Shri V. B. Haribhakti  
 Shri P. M. Narielvala

## C. COUNCIL AND COMMITTEE MEETINGS

		No. of Meetings held in	
		1968-69	1967-68
1. Council		2	3
2. Standing Committees			
(i) Executive Committee		5	4
(ii) Examination Committee		6	4
(iii) Disciplinary Committee		5	8
3. Non-Standing Committees.			
(i) Research		3	2
(ii) Post Graduate Course		5	3
(iii) Professional Development		2	2
(iv) Taxation		2	2
(v) Coaching Board		3	4
(vi) Expert Advisory		..	..
(vii) Ad Hoc Committee for looking into complaints of unjustifiable removals from auditorship		..	..
(viii) Employment		2	2
(ix) Editorial Board		12	12
(x) Hindi Committee		2	2
4. Special Committees			
(i) Under Section 4 (i) (ii)		3	1
(ii) Under Section 4 (i) (iv)		3	1
(iii) On Education and Training		2	..
(iv) For Review and implementation of Joint Committee Report.		3	..

## APPENDIX II

[Reference Section III-3 (d) of the Report]

Number of Members appeared and declared successful at the Management Accountancy Examination.

	May 1968	Nov. 1968
Number of Candidates appeared in Both Groups:	11	12
Passed in Both Groups	1	..
Passed in Group I only	1	4
Passed in Group II only	..	..
Number of candidates appeared in		
Group I only	11	11
Number passed	..	3
Group II only	6	10
Number passed	..	1

## APPENDIX III

(Reference Section VII-1 of the Report)

Number of Members as on 31st March 1968 and 31st March 1969.

	Associates		Fellows		Total	
	31st March 1968	31st March 1969	31st March 1968	31st March 1969	31st March 1968	31st March 1969
Members holding Certificate of Practice	3219	3570	2372	2564	5591	6134
Others	2807	3006	212	228	3019	3234
TOTAL	6026	6576	2584	2792	8610	9368

## APPENDIX IV

(Reference Section VII-3 of the Report)

(Disciplinary Action against Members)

*Finding of the Council**Auditor Placing Complete Reliance on the work of his assistants.*

A member was found guilty of professional misconduct under Clauses 7, 8 and 9 of Part I of the Second Schedule to the Act for not conducting sample checking of the bank accounts in relation to the accounts of a company and for

not carrying out vouching with respect to the transactions reflected in the accounts of the company. He had entrusted the work to his assistants and was under the belief that the work was being done properly. The Council had recommended to the High Court removal of his name for a period of one year. The High Court accepted the finding of the Council and admonished him as there was no deliberate dereliction of duty impelled by a desire for personal gain or profit.

#### **MAINTAINING A BRANCH OFFICE WITHOUT PLACING A MEMBER INCHARGE THEREOF.**

A member was found guilty under Clause (3) of Part III of the First Schedule and Clause (1) of Part II of the Second Schedule to the Act for having kept the branch office without putting a member in charge thereof on the leaving of the member who was in charge from service and for not having intimated to the Council the change in the particulars of the firm within 60 days after the change was effected. In respect of the charge under the First Schedule he was warned by the Council in term of Section 21(4) of the Act and in respect of the charge under the Second Schedule, the Council had recommended to the High Court that he may be warned. The High Court chiefly impressed by the opinion of the Disciplinary Committee that the fault on the part of the respondent was only technical which had been made good, ordered the papers to be filed.

#### **FAILURE TO CHECK THE CASH BALANCE**

A member was found guilty of professional misconduct under Clauses (5), (7), (8) and (9) of Part I of the Second Schedule to the Act in respect of the audit of accounts of a college. Since the audit was actually conducted by his paid assistant, proceedings were started against the paid assistant who was also found guilty of "other misconduct" as envisaged in Section 21 of the Act. The Council had recommended to the High Court removal of the name of both the members for a period of one year. In the course of the proceedings before the High Court the first respondent pointed out that he had implicit reliance on his paid assistant and due to this he himself did not take part in the checking of the accounts of the college. Of course nevertheless he had been held responsible because as the proprietor of the firm which had been appointed the auditors of the College, the ultimate responsibility was undoubtedly his and to that extent the High Court had no hesitation in upholding the finding of the Council that he was negligent. In the matter of punishment however, the High Court ordered that he be severely reprimanded. So far as the paid assistant was concerned, the High Court held that the circumstances were infinitely more serious as it was he who was from day-to-day on attendance whenever the accounts of the college had to be audited and he took absolutely no steps whatsoever to check cash balance facilitating and resulting in serious defalcations. Though no doubt he did pass on some information as to what he was doing to his employer, he did not mention any fact from which the employer could have known that he had been so grossly negligent. The High Court therefore directed removal of his name for 6 months.

#### **DELAY IN SUBMITTING THE AUDIT REPORT EXERCISING UNDUE INFLUENCE AND COERCION ON THE CLIENTS—FABRICATION OF DOCUMENTS ETC.**

Two members were involved in this case. One was found guilty of professional misconduct under Clause (7) of Part I of the Second Schedule to the Act in not completing his work relating to the audit of the accounts of the company and in not submitting his audit report in due time so as to enable the company to comply with the statutory requirements in this regard. He was also guilty of professional misconduct in that he exercised undue influence and coercion in securing from the company payment of his fee and the letter of appointment for the next year. The other member was found guilty of professional misconduct for his acts of commission and omission in regard to the minutes book of the company containing the minutes of the proceedings of the annual general meeting purported to be held on a particular date thus knowingly making a false record. The High Court accepted the findings of the Council and directed removal of the name of the first member for 3 weeks and the second member for 10 days.

#### **AUDITOR'S INDEBTEDNESS TO THE COMPANY.**

A member was found guilty of professional misconduct under clause (9) of Part I of the First Schedule to the Act as he was indebted to the company for

a sum exceeding Rs. 1,000 and was thus disqualified under Section 226(3) of the Companies Act, 1956 to act as auditor of the said company. In spite of the said disqualification he acted as auditor. In terms of Section 21 (4) of the Act, the Council reprimanded him.

**SOLICITING PROFESSIONAL WORK AND ADVERTISING PROFESSIONAL ATTAINMENTS.**

A member was found guilty of professional misconduct under clauses (6) and (7) of Part I of the First Schedule to the Act for having addressed several letters to the Government which were clearly in the nature of soliciting professional work and advertising professional attainments. In terms of Section 21(4) of the Act, the Council reprimanded him.

## APPENDIX V

(Reference Section IX-7(a) of the Report)

*Number of Students Enrolled during the year 1968-69*

	Intermediate		Final Compulsory				Opt.
	Comp.	Opt.	Group		Group II		
Number of students who were on roll on 1st April, 1968 . . . . . (5014)	5253	(2) 7	(22184)	2246	(2215)	2146	(23) 15
Enrolled during 1968-69 . . . . . (2446)	3015	(7) 1	(1364)	1638	(1364)	1638	(15) 9
	<u>8268</u>	<u>8</u>		<u>3884</u>		<u>3784</u>	<u>24</u>
Number of students who completed tuition which include 366, 18, 22 students for the Intermediate-Group I and Group II respectively who discontinued tuition during the year . . . (2207)	2379	8	(1332)	1348	(1433)	1403	[(23) 15
	<u>5889</u>	<u>Nil</u>		<u>2536</u>		<u>2381</u>	<u>9</u>

NOTE.—Figures shown in the brackets are for the previous year.



## APPENDIX VI

(Reference Section X-3 of the Report)

*Particulars of Examination*

		1967-69	1968-69		
		No. of candidate who appeared	No. of candidate who passed	No. of candidates who appeared	No. of candidates passed
PRELIMINARY EXAMINATION		May	148	32	142
		Nov.	272	82	310
INTERMEDIATE EXAMINATION		May	2456	610	2721
		Nov.	2584	768	2758

## FINAL EXAMINATION

	No. of candi- dates appeared in both Groups	No. of candi- dates passed in both Groups	No. of Candi- dates passed in Group I only	No. of candi- dates passed in Group II only	No. of candi- dates appeared in Group I only	No. of candi- dates passed in Group I only	No. of candi- dates appeared in Group II only	No. of candi- dates passed in Group II only
May	67	405	107	62	100	798	140	522
Nov.	67	579	136	47	172	934	163	615
May	68	690	152	64	194	1076	195	601
Nov.	68	752	119	97	201	1240	302	626

## APPENDIX VII

(Reference Section X-4 of the Report)

*Prizes and Certificates of Merit*

## FINAL EXAMINATION

		May 1968	November 1968
1.	G. P. Kapadia (First President) Gold Medal	L. L. Jain	B. H. Bhawe & S. Viji
2.	Sir Shapoorji Billimoria Prize (value Rs. 200.00, for the best paper on Accountancy)	H. O. Agarwal	S. Viji
3.	A. F. Ferguson Cash Prize of Rs. 200.00 for the best paper on Auditing	S. V. Joglekar	S. P. Agarwal
4.	N. M. Shah Prize (Value Rs. 200.00) for the best paper on Taxation	D. T. Desai	B. H. Bhawe
5.	R. Sivabhogam Prize to the best lady candidate	Miss P. B. Bharucha	
6.	G. Basu Foundation Award for the best student of the year 1968		B. H. Bhawe
7.	Certificates of Merit		
	1st Rank	L. L. Jain	B. H. Bhawe & S. Viji
	2nd Rank	C. P. Ethirajan	S. P. Agarwal
	3rd Rank	T. R. Subramanian	N. Srinivasan

## INTERMEDIATE EXAMINATION

1. G. P. Kapadia . (First President) Silver Medal	May 1968 J. P. Kasera	November 1968 P. A. Bijoor
2. Certificates of Merit		
Ist Rank . . . . .	J. P. Kasera	P. A. Bijoor
IIInd Rank . . . . .	M. R. Rajaram	D. V. Sardana
IIIrd Rank . . . . .	R. L. Nolkha	S. R. Pachisia

Examinations were held in the following centres during the year 1968 i. e. in May and November

1. Ahmedabad	5. coimbatore	9. Hyderabad	13. Madras
2. Bangalore	6. Delhi	10. Indore	14. Madurai
3. Bombay	7. Ernakulam	11. Jalpur	15. Nagpur
4. Calcutta	8. Gauhati	12. Kanpur	16. Poona
	(from Nov. 1968)		17. Vijayawada

## APPENDIX VIII

(Reference Section XI-2 of the Report)

*Names of Members who died during the year 1968-69*

Sl. No.	Name	Membership No.
1	Shri N. M. Rajji . . . . .	6
2	Shri F. S. Augra . . . . .	39
3	Shri K. Narayanaswamy . . . . .	91
4	Shri Ram Das Ailawadi . . . . .	146
5	Shri Subodh Krishna Kar . . . . .	151
6	Shri Tara Chand Malik . . . . .	192
7	Shri Ram Labhaya Chojar . . . . .	207
8	Shri Krishnaji Trimbak Dixit . . . . .	213
9	Shri D. S. Patel . . . . .	241
10	Shri J. N. Roy Choudhury . . . . .	337
11	Shri D. S. Subrahmaniya . . . . .	344
12	Shri V. Mahadevan . . . . .	448
13	Shri Sivar Krishnamoorthy . . . . .	522
14	Shri Kala Ram Khanna . . . . .	591
15	Shri N. P. Sivaramakrishnan . . . . .	662
16	Shri P. Sambiah . . . . .	771
17	Shri Pitam Chand Agarwal . . . . .	1017
18	Shri V. S. Menon . . . . .	1295
19	Shri B. K. E. Kothavala . . . . .	3406
20	Shri Sashadhar Mukhopadhyay . . . . .	3604
21	Shri D. H. Bhatena . . . . .	4249
22	Shri K. Ramakrishna Murty . . . . .	4279
23	Shri S. S. Tanksali . . . . .	4364
24	Shri P. B. Phatak . . . . .	4693

Sl. No.	Names	Membership No.
25	Shri Mahaveer Prasad Gupta . . . . .	4704
26	Shri Ramsharan Poddar . . . . .	5021
27	Shri T.A. Joseph . . . . .	5174
28	Shri D.S. Adhikari . . . . .	5248
29	Shri Brojendra Lal Mitra . . . . .	6082
30	Shri T.A. Vaswani . . . . .	6395
31	Shri R.C. Swami Rao . . . . .	6687
32	Shri A. Ramanathan . . . . .	7087
33	Shri Girja Dutt Vajpeyl . . . . .	7267
34	Shri S. Padmanabha Aiyer . . . . .	8633

# THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA, NEW DELHI

Balance sheet as at 31st March, 1969

Funds and Liabilities]	31-3-69		31-3-68]		Property & Assets	31-3-69]		31-3-68	
	Rs.	Rs.	Rs.	Rs.		Rs.	Rs.	Rs.	Rs.
<i>Capital Reserve</i>					<i>I. Fixed Assets</i>				
Balance : 31-3-1968	26,97,926		24,58,388		(Schedule 'C')		21,15,165		20,54,873
Add : Entrance Fees					II. Investment (at cost)				
Schedule 'A')	2,70,548		2,39,538		(Schedule 'D')		24,77,699		21,59,499
		29,68,474		26,97,926	Quoted Rs. 7,38,803				
					(Market Value Rs. 7,26,369)				
					Unquoted :	Rs. 17,38,896			
<i>General Reserve</i>					III. Earmarked Investments :				
Balance : 31-3-1968	8,31,558		7,00,189		(a) Research Fund				
Add : Surplus in Income & Expenditure A/c.	43,420		2,31,369		(Schedule 'E')	5,71,512		5,71,512	
Less : Transferred to 'Provision for Gratuity'	8,74,978				Quoted	Rs. 4,31,512			
	57,407				(Market Value Rs. 4,30,808)				
		8,17,571		8,31,558	Unquoted :	Rs. 1,40,000			
ii. Funds :					(b) Medals & Prizes Fund (Schedule 'F')	46,028		41,028	
(a) Research Fund							6,17,540		6,12,540
Balance : 31-3-1968	5,71,512		5,71,512		Quoted :	Rs. 35,028			
(b) Medal & Prizes Fund (Schedule 'B')	50,439		45,111		(Market Value Rs. 37,733)				
		6,21,951		6,16,623	Unquoted :	Rs. 11,000			
V. Provision for gratuity					IV. Current Assets				
Balance : 31-3-1968	91,334		91,334		(a) Publications, papers & Stationery (at cost)	1,09,104		1,31,975	
Additions :	37,437				(b) Amounts receivable	3,67,506		2,82,858	
	1,28,771				(c) Cash & Bank Balances	8,41,220		7,23,571	
Less : Payments during the year	(—)4,232						13,17,830		11,38,404
Add : Transferred from General Reserve	1,24,539								
	57,407								
		1,81,946							

## V Liabilities

(a) Fees received in advance . . .	15,23,639	14,04,046
(b) Creditors for Expenses	1,87,123	1,59,404
(c) Other Liabilities	<u>2,27,530</u>	<u>1,64,425</u>
	19,38,292	17,27,875

Total	65,28,234	59,65,316	Total	65,28,234	59,65,316
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*Auditors Report*

We have examined the above Balance Sheet and the annexed Income and Expenditure Account, which in our opinion, respectively give a true and fair view of the state of the Institute's affairs as at 31st March, 1969 and its income and expenditure for the year ended on that date.

S. R. SIRCAR,  
*Assistant Secretary.*

C. BALAKRISHNAN,  
*Secretary.*

H. B. DHONDY,  
*Vice-President.*

R. VENKATESAN,  
*President.*

P. R. MEHRA, M. R. VENKATARAMAN,  
*Chartered Accountants*  
*Auditors*

## THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA, NEW DELHI

*Annexure to Balance Sheet Schedule 'A'*

## SCHEDULE OF ENTRANCE FEES AS ON 31ST MARCH, 1969

	Rs.	Rs.
(a) <i>Fellows</i> :		
Received during the year 1968-69 . . . . .		45,600
(b) <i>Associates</i> :		
(i) Instalments due as on 31st March, 1968 . . . . .	1,72,920	
(ii) Recoverable during the year 1968-69 . . . . .	2,56,800	
(iii) Instalments due written off earlier recovered on Restoration . . . . .	400	
	4,30,120	
(iv) <i>Less</i> : Instalments due as on 31st March, 1969 . . . . .	2,05,172	
		2,24,948
Total . . . . .		2,70,548

S. R. SARGAR,  
*Assistant Secretary.*C. BALAKRISHNA,  
*Secretary.*H. B. DHONDY,  
*Vice-President*R. VENKATESAN,  
*President.*P. R. MEHRA, M.R. VENKATARAMAN,  
*Chartered Accountants, Auditors.*

## Annexure to Balance Sheet

## SCHEDULE 'B'

## THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA, NEW DELHI

## SCHEDULE OF MEDALS AND PRIZES FUND AS ON 31ST MARCH, 1969

Sl. No.	Names of Funds	Endowment	Income earned	Total (Cols. 3 & 4)	Cost of Medals & Prizes awarded	Balance	
1	2	3	4	5	6	7	
		Rs.	Rs.	Rs.	Rs.	Rs.	
1.	G.P. Kapadia (1st President) Medal Fund	20,000	B/F For the year 1,562 550	2,112	21,112	646	21,466
2.	Miss. R. Sivabhogam Locket Fund	5,000	B.F. For the year 1,706 212	1,918	6,918	204	6,714
3.	Sir Shapoorji Billimoria Prize Fund	10,024	B/F For the year 234 471	705	10,729	475	10,254
4.	Shri R. Rajagopalan Prize Fund	6,000	B/F For the year 586 420	1,006	7,006	I (Bank Comm.)	7,006
5.	Shri N. Krishnaswamy Prize Fund	5,000	For the year		5,000		5,000
TOTAL		46,024		5,741	51,765	1,326	50,439

S.R. SIRCAR,  
Assistant Secretary.C. BALAKRISHNAN,  
Secretary.H. B. DHONDY,  
Vice-President.R. VENKATESAN,  
President.P.R. MEHRA,  
Chartered Accountants.M.R. VENKATARAMAN,  
Auditors.

## Annexure to Balance Sheet

## SCHEDULE 'C'

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA,  
NEW DELHI.

SCHEDULE OF FIXED ASSETS AS ON 31ST MARCH, 1969.

S. No.	Nature of Assets	COST		DEPRECIATION		
		Upto 31-3-68	Additions	Total upto 31-3-69	Total upto 31-3-1969	Book Value on 31-3-69
1	2	3	4	5	6	7
		Rs.	Rs.	Rs.	Rs.	Rs.
1.	Lease-Hold Land (New Delhi)	2,159	..	2,159	..	2,1
	(Kanpur)	..	2,910	2,910	..	2,9
2.	Buildings at :					
	(a) (i) New Delhi (Central Council)	5,03,605	..	5,03,605	1,79,996	3,23,609
	(ii) Construction of Annexure to the Building	23,971	49,015	72,986	..	72,986
	(b) Bombay (Western India Regional Council)	4,51,178	..	4,51,178	68,098	3,83,080
	(c) Madras (Southern India Regional Council)	4,94,963	..	4,94,963	68,896	4,26,067
	(d) Calcutta (Eastern India Regional Council)	3,88,840	..	3,88,840	77,653	3,11,187
3.	Electric Installations & Fittings at:					
	(a) New Delhi (Central Council)	69,669	50	69,719	48,277	21,442
	(b) Regional Councils, Students Associations and their Branches	21,646	7,699	29,345	6,779	22,566
4.	Air conditioning Installation	1,41,064	..	1,41,064	1,83,705	37,359
5.	Furniture, Fixtures & Safe at:					
	(a) New Delhi (Central Council)	2,28,008	182	2,28,190	1,01,425	1,26,765
	(b) Regional Councils, Students Associations and their Branches	1,60,838	11,649	1,72,487	52,667	1,19,820
6.	Office Equipments at :					
	(a) New Delhi (Central Council)	1,03,858	9,757	1,13,615	73,032	40,583
	(b) Regional Councils, Students Associations and their Branches	27,557	30,879	58,436	17,402	41,034
7.	Library Books at :					
	(a) New Delhi (Central Council)	1,22,848	21,088	1,43,936	90,878	53,058
	(b) Regional Councils, Students Associations and their Branches	1,49,352	24,129	1,73,481	1,04,187	69,294
8.	Motor Car	16,721	..	16,721	10,785	5,936
9.	Cost of Instructional Materials	2,14,759	84,428	2,99,187	2,43,917	55,310
TOTAL		31,21,076	2,41,786	33,62,862	12,47,697	21,15,165

S.R. SIRCAR,  
Assistant Secretary.C. BALAKRISHNAN,  
Secretary.H.B. DHONDY,  
Vice-President.R. VENKATESAN,  
President.P.R. MEHRA, M.R. VENKATARAMAN,  
Chartered Accountants Auditors.



**Annexure to Balance Sheet****SCHEDULE 'D'****THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA, NEW DELHI.***Schedule of Investments as on 31st March, 1969.*

S. No.	Particulars	Face Value Rs.	Cost Rs.
<b>I. General Fund :</b>			
1.	4½ % Maharashtra State Development Loan, 1969 . . . . .	50,000	50,150
2.	4½ % Mysore State Development Loan, 1969 . . . . .	50,000	50,100
3.	4½ % Madras State Development Loan, 1970 . . . . .	1,00,000	1,01,200
4.	4½ % Maharashtra State Development Loan, 1970 . . . . .	1,00,000	1,02,610
5.	4½ % Orissa State Development Loan, 1970 . . . . .	1,00,000	1,01,100
6.	4 % Ten Year Treasury Savings Deposit Certificate. . . . .	50,000	50,000
7.	Fixed Deposit with the State Bank of India . . . . .	10,21,146	10,21,146
8.	P.O. 12 Year National Defence Certificates . . . . .	1,00,000	1,00,000
9.	3 % 1st Development Loan, 1970-75 . . . . .	50,000	46,625
10.	3 % Conversion loan, 1946-86. . . . .	3,100	2,506
<b>TOTAL : . . . . .</b>		<b>16,24,246</b>	<b>16,25,43</b>

<b>II. Coaching Broad :</b>			
1.	4 % Bombay State Development Loan, 1969 . . . . .	85,000	84,867
2.	4 % Bengal Loan, 1969. . . . .	25,000	24,938
3.	P. O. 12 Year National Plan Saving Certificates . . . . .	40,000	40,000
4.	Fixed Deposit Receipt with State Bank of India. . . . .	4,27,750	4,27,750
5.	4 % Bengal Loan, 1971 . . . . .	25,000	25,038
6.	4½ % Maharashtra State Development Loan, 1972. . . . .	50,000	50,000
7.	4 % Loan, 1973 . . . . .	50,000	50,207
8.	4½ % Ten Year Defence Deposit Certificates . . . . .	40,000	40,000
9.	4½ % Maharashtra State Development Loan, 1974. . . . .	25,000	25,000
10.	4½ % U.P. Development Loan, 1974 . . . . .	25,000	24,462
11.	P.O. 12 Year National Defence Certificates . . . . .	60,000	60,000
<b>TOTAL : . . . . .</b>		<b>8,52,750</b>	<b>8,52,262</b>

<b>GRAND TOTAL . . . . .</b>	<b>24,76,996</b>	<b>24,77,699</b>
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S.R. SIRCAR  
Assistant Secretary.

C. BALAKRISHNAN  
Secretary.

H.B. DHONDY  
Vice-President.

R. VENKATESAN  
President.

P. R. MEHRA M.R. VANKATARAMAN  
Chartered Accountants, Auditors.

**Annexure to  
Balance Sheet****THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA,  
NEW DELHI.****SCHEDULE 'E'***Schedule of Research Fund Investments as on 31st March, 1969.*

S. No.	Particulars	Face Value	Cost
1	2.	3.	4.
		Rs.	Rs.
1.	4½% Maharashtra State Development Loan, 1969.	35,000	35,945
2.	4½% West Bengal Loan, 1970	1,25,000	1,27,538
3.	4½ % U.P. State Development Loan, 1970.	20,200	20,069
4.	Fixed Deposit with State Bank of India	1,40,000	1,40,000
5.	4% Loan, 1972	700	701
6.	4½% Loan, 1976.	2,85,200	2,47,259
	<b>TOTAL</b>	<b>6,06,100</b>	<b>5,71,512</b>

**Annexure to  
Balance Sheet****SCHEDULE 'F'***Schedule of medals and prizes Fund investments as on 31st March, 1969.*

S. No.	Names of the Funds	Particulars	Face Value	Cost
1.	2	3	4	5
1.	G. P. Kapadia (1st President ) Medal Fund.	2½% Loan, 1976	20,000	20,000
2.	Miss R. Srivastabhogam Locket Fund.	4½% Maharashtra State Dev. Loan, 1969.	5,000	5,004
3.	Sir Shapoorji Billimoria Prize Fund.	3 % Conversion Loan 1946-86	15,700	10,024
4.	Shri R. Rajagopalan Prize Fund.	Fixed Deposit with State Bank of India.	6,000	6,000
5.	Shri N.S. Krishnaswamy Prize Fund	Do.	5,000	5,000
	<b>TOTAL :</b>		<b>51,700</b>	<b>46,028</b>

S. R. SIRCAR  
Assistant Secretary.C. BALAKRISHNAN  
Secretary.H.B. DHONDY  
Vice President.R. VENKATESAN  
President.P.R. MEHRA M.R. VENKATARAMAN  
Chartered Accountants,  
Auditors.

**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA  
NEW DELHI**

*Income and Expenditure Account for the Year ended 31st March 1969*

	1968-69				1967-68	
	Income		Expenditure		Surplus/ Deficit	Surplus/ Deficit
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>A. MEMBERS</b>						
<b>I. MEMBERSHIP &amp; GENERAL ADMINISTRATION:</b>						
(a) Income from Members . . . . .	6,28,413					
(b) Applications & Records . . . . .			34,083			
(c) Disciplinary Matters . . . . .			73,901			
(d) Collection of fees . . . . .			34,556			
(e) List of Members . . . . .			46,534			
(f) Annual Report, Council & Committee Meetings . . . . .			22,631			
(g) Employment Service . . . . .			11,484			
(h) Miscellaneous . . . . .	1,31,626		39,939			
		7,60,039		2,63,128	4,96,911	4,34,902
<b>II. REGIONAL COUNCILS</b> . . . . .		97,672		2,62,310	1,64,638	92,409
<b>III. PROFESSIONAL DEVELOPMENT AND RESEARCH</b>						
(a) P.G. Course & Practical Training . . . . .	9,300		58,588			
(b) Other Income . . . . .	27,853					
(c) Conference & Seminar . . . . .						
(d) Technical Activities . . . . .			1,35,760			
(e) Library . . . . .			10,009			
(f) Members' Hand Book and other Publication for Members . . . . .			82,526			
		37,153		2,86,883	2,49,730	1,53,099
<b>IV. JOURNAL</b> . . . . .		1,22,667		1,57,585	24,911	
<b>To</b> . . . . .		10,27,531		9,69,906	57,625	1,61,033

		1968-69				1967-68	
		Income		Expenditure		Surplus/ Deficit	Surplus/ Deficit
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>B. STUDENTS</b>							
<b>V. STUDENTS' ACTIVITIES &amp; EXAMINATIONS</b>							
(a) Students Activities	. . . . .	1,65,124		2,18,782			
(b) Examinations	. . . . .	6,69,605		5,51,290			
(c) Miscellaneous	. . . . .	18,089					
			8,52,818		7,70,072	82,746	81,940
			8,78,967		9,75,918	96,951	1,11,604
<b>VI. COACHING BOARD</b>	. . . . .						
<b>TOTAL</b>			17,31,785		17,45,990	14,205	29,664
<b>VII SURPLUS</b>						43,420	1,31,369

NOTE:—For details refer to the "Schedule attached."

As per our Report of even date.

C. BALAKRISHNAN  
Secretary

R. VENKATESAN  
President

P. R. MEHRA  
M. R. VENKATARAMAN  
Chartered Accountants  
Auditors.

S. R. SIRCAR  
Assistant Secretary

H. B. DHONDY  
Vice-President

Annexure to Income & Expenditure  
Account.  
SCHEDULE

The Institute of Chartered Accountants of India, New Delhi  
Detail of Income and Expenditure for the year ended 31st March, 1969.

S. No.	Heads of Accounts	MEMBERS				STUDENTS		
		Total 1968-69 Rs.	Membership & General Administration Rs.	Regional Council Rs.	Professional Development & Research Rs.	Journal Rs.	Students Activities & Examinations Rs.	Coaching Board Rs.
		1	2	3	4	5	6	
<b>I. INCOME</b>								
1	Fees (See Note No. 1)	24,46,117	6,28,413	93,960	9,300	92,130	8,34,729	7,87,585
		21,62,773	5,76,823	86,640	10,000	84,860	6,96,580	7,07,870
2	Income from Properties	39,104	39,104					
		18,571	18,571					
3	Revenue from Journal & other Publications	72,437	649	..	2,195	40,537	10,572	18,484
		77,847	2,946	..	5,872	35,521	21,653	11,855
4	Interest on Investments	1,50,504	79,574	477	25,329	..	..	45,124
		1,40,873	70,127	1,385	24,633	..	148	44,580
5	Other Income	51,154	12,299	3,235	329	..	7,517	27,774
		76,796	45,113	3,249	12,718	..	976	14,740
6	TOTAL	27,59,316	7,60,039	97,672	37,153	1,32,667	8,52,818	8,78,967
		24,76,860	7,13,580	91,274	53,223	1,20,381	7,19,357	7,79,045
<b>II. EXPENDITURE</b>								
7	Salaries & other cost of Employing Staff	8,90,679	1,21,585	78,909	93,676	25,272	1,91,858	3,79,379
		8,15,507	1,14,303	37,158	87,390	26,865	1,79,515	3,70,276
8	Provision for Gratuity	37,437	6,108	2,695	4,434	1,009	9,351	13,840
		35,399	7,486	1,730	3,239	968	9,808	12,168
9	Publications, Printing of Stationery	4,43,899	39,990	20,181	89,479	1,02,495	94,132	97,622
		3,43,148	53,383	18,234	17,179	89,644	65,480	99,228
10	Fees of Examiners, Tutors & Invigilators	3,68,171	..	..	1,086	..	1,71,451	1,94,834
		3,06,439	..	..	1,456	..	1,46,852	1,58,131
11	Rates & Taxes	71,754	4,383	42,140	1,615	692	4,383	18,541
		55,872	4,450	23,760	1,558	668	4,450	20,986

		1	2	3	4	5	6
12	Repairs & Maintenance . . . . .	34,582	3,732	11,659	1,375	590	13,494
		<i>37,923</i>	<i>4,395</i>	<i>9,613</i>	<i>1,539</i>	<i>659</i>	<i>17,322</i>
13	Depreciation . . . . .	1,77,508	17,504	47,364	5,643	444	94,665
		<i>1,51,795</i>	<i>15,810</i>	<i>37,125</i>	<i>4,630</i>	<i>453</i>	<i>82,684</i>
14	Postage, Telegrams & Telephones . . . . .	1,92,009	22,590	18,493	10,835	18,203	75,371
		<i>1,38,358</i>	<i>13,872</i>	<i>17,508</i>	<i>8,239</i>	<i>15,159</i>	<i>57,248</i>
15	Travelling Expenses of Council & Comm. Members	1,07,963	17,361	4,913	30,134	1,494	19,176
		<i>1,44,090</i>	<i>22,551</i>	<i>13,756</i>	<i>57,120</i>	<i>1,315</i>	<i>19,652</i>
16	Other Travelling Expenses . . . . .	52,027	6,634	1,152	18,840	347	7,364
		<i>12,958</i>	<i>1,509</i>	<i>224</i>	<i>1,245</i>	<i>279</i>	<i>6,003</i>
17	Professional Fees . . . . .	26,628	6,253	1,700	7,144	845	5,900
		<i>18,362</i>	<i>8,528</i>	<i>950</i>	<i>1,212</i>	<i>617</i>	<i>4,343</i>
18	Conference, Seminar, etc. . . . .	1,376	..	..	..	..	1,376
		<i>14,816</i>	<i>..</i>	<i>..</i>	<i>3,577</i>	<i>..</i>	<i>11,239</i>
19	Election . . . . .	..	..	..	..	..	..
		<i>26,297</i>	<i>26,297</i>	<i>..</i>	<i>..</i>	<i>..</i>	<i>..</i>
20	Miscellaneous . . . . .	3,11,863	16,988	33,104	21,822	6,194	55,732
		<i>2,44,527</i>	<i>6,094</i>	<i>23,625</i>	<i>17,938</i>	<i>12,115</i>	<i>42,608</i>
21	TOTAL . . . . .	27,15,896	2,63,128	2,62,310	2,86,883	1,57,585	9,75,918
		<i>23,45,491</i>	<i>2,78,678</i>	<i>1,83,583</i>	<i>2,06,322</i>	<i>1,48,742</i>	<i>8,90,649</i>

NOTE: Figures of the previous year (1967-68) have been indicated in italics

S. R. SIRCAR

C. BALAKRISHNAN

H. B. DHONDY

R. VENKATESAN

P. R. MEHRA, M. R.

Assistant Secy.

Secretary

Vice-President

President

VENKATARAMAN  
Chartered Accountants  
Auditors

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA,  
NEW DELHI.

SCHEDULE OF FEES : 1968-69

Note No. I

	1969-68 Rs.	1967-68 Rs.
<b>1. Membership Administration :</b>		
(a) Associate Membership . . . . .	1,15,352	1,05,858
(b) Fellow Membership . . . . .	2,04,911	1,90,165
(c) Associate Certificate of Practice . . . . .	1,78,800	1,61,050
(b) Fellow Certificate of Practice . . . . .	1,29,350	1,19,750
	6,28,413	5,76,823
<b>2. Regional Council . . . . .</b>	93,960	86,640
<b>3. Post-Graduate Examination . . . . .</b>	9,300	10,000
<b>4. Journal :</b>		
Membership fees allocated to sub- scription for Journal.	92,130	84,860
<b>5. Students &amp; Examinations:</b>		
(a) Examination Fees . . . . .	6,69,605	5,69,080
(b) Students :		
(i) Articled Clerks Registration . . . . .	1,19,400	85,760
(ii) Audit Clerks Registration . . . . .	30,900	29,700
(iii) Students Association Fee . . . . .	14,834	12,040
	8,34,759	6,96,580
<b>6. Coaching Board . . . . .</b>	7,87,585	7,07,870
<b>TOTAL . . . . .</b>	24,46,117	21,62,773

S. R. SIRCAR  
Assistant Secretary.

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C. BALAKRISHNAN, Secy.

